

May 6, 2013

Senator Tom Casperson P.O. Box 30036 Lansing, MI 48909-7536

Dear Chairman Casperson:

I am writing to communicate our **support for Senate Bill 266**, legislation that would allow the shipping industry to reengage in the use of Michigan ports. Due to the complexity of ballast water regulations and the reality of addressing the spread of invasive and aquatic nuisance species, this is an issue of particular concern to the business community in the Detroit region.

The Detroit Regional Chamber's over 20,000 members and affiliates, from sole proprietors to fortune 500 companies, provide jobs to over ¾ million working men and women, making it the largest local chamber in the United States. Our shared border with Canada is the largest crossing for trade in the world, and it should be noted that the Great Lakes serve as a vital conduit, both for domestic industry and international trade. For example, it's the efficiencies of waterborne commerce that allow Michigan companies to quarry the state's vast deposits of limestone and ship the aggregate, fluxstone and cement to customers throughout the Great Lakes basin. As an industrial state, Michigan has the potential to export steel products using Michigan ports, however current regulations preclude industry from doing this.

Michigan's current ballast water discharge permitting standard for oceangoing vessels accepts only four types of the many available technologies for treating ballast water, each of which are not used in the industry. Not one single ocean-going vessel has applied for the discharge permit because taking their business to a different state is easier, cheaper and less of a hassle than trying to abide by Michigan's burdensome regulations. By Michigan adopting and implementing the widely used and accept ballast water standards put in place by the United States Coast Guard, our problem would be solved. Michigan's ports are a vital transportation asset that enables Michigan businesses to have access to world markets and the current permit regulations have completely shut down Michigan's ocean-going cargo exporting activity.

Considering the current business climate, we think it is important to consider how Michigan's current ballast water permit has had a devastating impact on the shipping industry and Michigan's ability to export its goods to markets all over the world. When the Michigan Legislature's ballast water permit took effect in 2007 the hope was that surrounding Great Lakes States would follow in our footsteps and implement the same standard. Other states did follow in putting in place a permit program, however the types of technologies they allow to treat ballast water are much more industry friendly. Because of Michigan's ballast water regulations, we have watched business leave ports in Detroit for Toledo and Windsor.

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Lansing 101 S. Washington Sq. Suite 820 Lansing, Michigan 48933 517.372.2278 Protecting the Great Lakes is certainly important and not an issue to be taken lightly but for a ballast water standard to truly be effective all Great Lakes States must impose the same standard. This has failed to happen, and has put Michigan at a significant competitive disadvantage among the other Great Lakes States.

Senator Green's SB266 would level the playing field and encourage business and jobs to come back to Michigan while still protecting the Great Lakes. A balance must be reached between protecting the Great Lakes while continuing to promote economic recovery and business development. We ask that you **support Senate Bill 266** to ensure this happens.

Sincerely,

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Tiffany Watrous
Director, Government Relations

Cc: Members, Senate Natural Resources, Environment and Great Lakes Committee